

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 SAJ-01

AGR-05 AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02

OPIC-03 CIEP-01 LAB-04 SIL-01 OMB-01 STR-04 CEA-01

/097 W

----- 102126

R 030628Z MAR 76 ZFG  
FM AMEMBASSY SOFIA  
TO SECSTATE WASHDC 886  
INFO AMEMBASSY BELGRADE  
AMEMBASSY BERLIN  
AMEMBASSY BUCHAREST  
AMEMBASSY BUDAPEST  
AMEMBASSY MOSCOW  
AMEMBASSY PRAGUE  
AMEMBASSY WARSAW  
USMISSION NATO BRUSSELS

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E.O. 11652: NA

TAGS: EGEN, PINT, SGEN, BU

SUBJECT: BCP CONGRESS ECONOMIC GUIDELINES

REF: A) SOFIA 378

B) SOFIA 94

1. BEGIN SUMMARY. DRAFT GUIDELINES FOR SOCIAL-ECONOMIC  
DEVELOPMENT OF BULGARIA, ISSUED FEB 23, WHICH PRESUMABLY WILL  
BE RATIFIED WITH MINOR CHANGES AT BCP ELEVENTH CONGRESS  
TO BECOME "DIRECTIVES" FOR SEVENTH FIVE-YEAR PLAN (1976-  
80), ARE LARGELY SUMMARY OF PRECEDING "THESES". OF MAJOR  
INTEREST ARE FIGURES ON ACHIEVEMENT OF SIXTH FYP AND  
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GOALS OF SEVENTH. PICTURE IS OF GENERAL FULFILLMENT OF

1971-75 PLAN WITH MUCH SAME RATE OF GROWTH TO CONTINUE  
IN 1976-80 PERIOD. END SUMMARY.

2. DRAFT "PRINCIPLE GUIDELINES OF 11TH BCP CONGRESS  
FOR SOCIAL-ECONOMIC DEVELOPMENT OF BULGARIA DURING  
SEVENTH FIVE-YEAR PLAN" COVERED FIVE FULL PAGES OF  
RABOTNICHESKO DELO FEBRUARY 23. DRAFT WILL PRESUMABLY  
BE RATIFIED WITH MINOR CHANGES AT CONGRESS TO BECOME  
"DIRECTIVES" FOR 1976-80. GUIDELINES ARE LARGELY  
SUMMARY OF PREVIOUSLY REPORTED "THESES" (REFTELS) ON  
ECONOMIC AND SCIENTIFIC DEVELOPMENT AND LIVING  
STANDARD. EMBASSY WILL NOT REPEAT MAJOR POINTS OR  
COMMENTS PREVIOUSLY MADE. OF MAJOR INTEREST IN GUIDE-  
LINES ARE FIGURES ON ACHIEVEMENT OF SIXTH FYP AND  
GOALS OF SEVENTH FYP.

3. FOLLOWING TABLE COMPARES 1971-75 GOALS AND ACHIEVE-  
MENT WITH 1976-80 GOALS FOR CERTAIN MAJOR CATEGORIES:

	10TH CONGRESS	1971-75	11TH CONGRESS	
CATEGORY	DIRECTIVES (1971)	FULFILLMENT	GUIDELINES	
NATIONAL				
INCOME	47-50 PERCENT	46 PERCENT	48-52 PERCENT	
REAL PER CAPITA				
INCOME	25-30 PERCENT	32.4 PCNT	20-25 PERCENT	
INDUSTRIAL				
PRODUCTION	55-60 PERCENT	55 PERCENT	55-60 PERCENT	
CAPITAL	20-21 BILLION	21 BILLION	28-30 BILLION	
INVESTMENT	LEVA	LEVA	LEVA	
	(SEE NOTE BELOW			
)				

AGRICULTURE	17-20 PERCENT	17 PERCENT	ABOUT 20 PCNT
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RETAIL TRADE	38-40 PERCENT	46.8 PCNT	40-42 PCNT
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HOUSING	250,000	242,000	400,000 TO
	UNITS	UNITS	420,000 UNITS

(NOTE: "INVESTMENT" FIGURE GIVEN FOR 1976-80 IS LISTED  
AS "FIXED ASSETS" IN "CONSTRUCTION" SECTION OF GUIDELINES  
AND MAY NOT BE COMPARABLE. CONTEXT MAKES IT APPEAR  
ROUGHLY IDENTICAL, HOWEVER, AND SUM COINCIDES WITH VERBAL  
REPORTS PREVIOUSLY RECEIVED FROM GOB OFFICIALS.)

4. PICTURE WHICH EMERGES IS OF GENERAL FULFILLMENT OF SIXTH FYP ALONG THE LOWER END OF PERCENTAGE RANGES SET BY 10TH CONGRESS DIRECTIVES (E.G. INDUSTRIAL PRODUCTION, NATIONAL INCOME, AND AGRICULTURE) AND A CONTINUATION OF SAME GENERAL RATE OF GROWTH DURING SEVENTH FYP. CONSUMERS, AS INDICATED BY PER CAPITA REAL INCOME AND RETAIL TRADE CATEGORIES, FARED CONSIDERABLY BETTER THAN '71-'75 PLAN, BUT CAN EXPECT TO DO SOMEWHAT LESS WELL IN 1976-80 PERIOD, PARTICULARLY IN PER CAPITA REAL INCOME. IN HOUSING, WHICH FAILED TO MEET THE '75 GOAL, A TREMENDOUS INCREASE IS PLANNED FOR 1976-80, BUT ACCOMPLISHMENT WILL REQUIRE A DRAMATIC CHANGE IN BULGARIAN PRIORITIES AND CAPABILITIES. GUIDELINES ADMIT SOME INDICES OF PLAN WERE NOT FULFILLED, NOTING -- IN ADDITION TO HOUSING -- FOOD AND CONSUMER INDUSTRIAL GOODS.

5. FOREIGN TRADE GOALS FOR BOTH SIXTH AND SEVENTH FYP'S ARE 60-65 PERCENT INCREASES OVER PRECEDING PERIODS. NO FIGURE IS GIVEN FOR SIXTH FYP FULFILLMENT, BUT EMBASSY CALCULATION ON BASIS OF AVAILABLE FIGURES IS APPROXIMATELY 114 PERCENT. OVER-FULFILLMENT UNDOUBTEDLY REFLECTS HIGHER PRICES IN INTERNATIONAL TRADE MORE THAN REAL GROWTH IN BULGARIAN FOREIGN TRADE. SECTION ON "ECONOMIC INTEGRATION AND FOREIGN ECONOMIC RELATIONS" CONTAINS EXPECTED PLEDGES RE USSR AND CEMA, BUT ALSO CITES DEVELOPMENT OF TIES WITH NON-SOCIALIST COUNTRIES IN SPIRIT OF HELSINKI FINAL ACT AND SPECIFICALLY STATES RELATIONS WITH BALKAN AND DEVELOPING COUNTRIES ARE TO EXPAND. POSSIBILITIES OF EXCHANGE OF LICENSES AND TECHNICAL INFORMATION IN PRODUCTION ARE TO BE USED MORE WIDELY AND EFFECTIVELY.

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6. FOLLOWING ARE ADDITIONAL ITEMS OF INTEREST WITH  
COMMENT WHEN APPROPRIATE:

A. RATIO BETWEEN INDUSTRIAL AND AGRICULTURAL  
PRODUCTION CHANGED FROM 77.1:22.9 IN 1970 TO  
81.2:18.8 IN 1975. (BULGARIA IS DEFINITELY NO LONGER  
A PREDOMINATELY AGRICULTURAL COUNTRY, ALTHOUGH A DIS-  
PROPORTIONATE SHARE OF WORK FORCE AND EXPORTS ARE  
ASSOCIATED WITH AGRICULTURE).

B. ANNUAL PRODUCTION OF ELECTRICITY REACHED  
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25.2 BILLION KWH IN 1975 AND CAPACITY INCREASED MORE  
THAN 70 PERCENT OVER 1970. (PLAN CALLED FOR 30-31  
BILLION KWH BY 1975 AND IT APPEARS UNLIKELY CAPACITY  
COULD GROW SO RAPIDLY AND PRODUCTION STILL FALL SO

FAR SHORT OF PLAN. GOAL FOR 1980 IS 38 BILLION KWH.)

C. DRIVE TOWARD SHIFT WORK IS CONTINUED, WITH  
MEANS OF PRODUCTION TO BE UTILIZED ON 6-7 DAY BASIS  
DESPITE FIVE-DAY WORK WEEK, AND WITH FURTHER INTRODUCTION  
OF TWO AND THREE SHIFTS PER DAY. WITH BETTER UTILIZATION  
OF LABOR AND MATERIALS, COST OF PRODUCTION IS TO BE  
REDUCED 10-12 PERCENT OVER SEVENTH FYP. LABOR  
PRODUCTIVITY IN INDUSTRY IS TO INCREASE 55 PERCENT.

D. SYSTEMATIC GEOLOGICAL SURVEY OF BLACK SEA  
COASTAL SHELF IS TO BE INITIATED.

E. CONSTRUCTION OF SECTIONS OF SOFIA-PAZARDZHIK  
AND SOFIA-BOTEVGRAD HIGHWAYS ARE TO BE COMPLETED AND  
CONSTRUCTION IS TO BEGIN ON SOFIA AIRPORT AND SUBWAY.  
(ROAD SECTIONS ARE SEGMENTS OF THE SOFIA-VARNA-  
BURGAS TRIANGLE ROAD PROJECT TO BE COMPLETED IN THE  
NEXT 10-15 YEARS.)

F. AS RELATES ENVIRONMENT, SPECIAL ATTENTION IS  
TO BE GIVEN TO CLEANING AIR IN INDUSTRIAL AREAS, E.G.  
AROUND KREMIKOVTSI METALLURGICAL COMPLEX AND IN DEVNYA  
VALLEY, AND TO PURIFYING WATERS OF ISKUR, MARITSA,  
YANTRA AND MESTA RIVERS.

7. EMBASSY HAS NO OBJECTIONS TO RELEASE TO NATO.  
HERZ

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## Message Attributes

**Automatic Decaptioning:** X  
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**Channel Indicators:** n/a  
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**Copy:** SINGLE  
**Draft Date:** 03 MAR 1976  
**Decaption Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
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**Subject:** BCP CONGRESS ECONOMIC GUIDELINES  
**TAGS:** EGEN, PINT, SGEM, BU, BULGARIAN COMMUNIST PARTY  
**To:** STATE  
**Type:** TE  
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